



For Release: Friday, September 16, 2016

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west

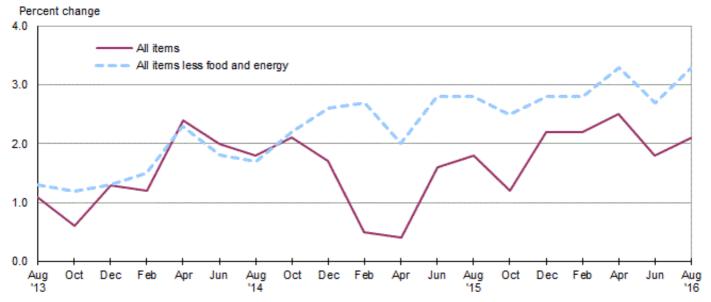
Media contact: (415) 625-2270

Consumer Price Index, Seattle area — August 2016 Area prices were up 0.3 percent over the past two months, up 2.1 percent from a year ago

Prices in the Seattle Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.3 percent for the two months ending in August 2016, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Assistant Commissioner for Regional Operations Richard Holden noted that the August increase was influenced by higher prices for shelter and medical care. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 2.1 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices declined 8.4 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 3.3 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Seattle, August 2013-August 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.1 percent for the two months ending in August. (See <u>table 1</u>.) Prices for food away from home increased 0.4 percent, but prices for food at home decreased 0.2 percent for the same period.

Over the year, food prices rose 0.3 percent. Prices for food away from at home advanced 3.2 percent since a year ago, but prices for food at home declined 2.0 percent.

Energy

The energy index moved down 1.6 percent for the two months ending in August. The decrease was mainly due to lower prices for gasoline (-3.1 percent). Prices for natural gas service were unchanged, while electricity increased 0.4 percent for the same period.

Energy prices declined 8.4 percent over the year, largely due to lower prices for gasoline (-15.1 percent). Prices paid for natural gas service dropped 12.4 percent, but prices for electricity rose 4.8 percent during the past year.

All items less food and energy

The index for all items less food and energy rose 0.5 percent in the latest two-month period. Higher prices for medical care (3.4 percent) and shelter (1.1 percent) were partially offset by lower prices for apparel (-1.8 percent), recreation (-0.9 percent), and education and communication (-0.6 percent).

Over the year, the index for all items less food and energy advanced 3.3 percent. Components contributing to the increase included shelter (6.1 percent) and medical care (6.0 percent). Partly offsetting the increases were price declines in apparel (-1.3 percent), household furnishings and operations (-1.2 percent), and education and communication (-1.1 percent).

Table A. Seattle-Tacoma-Bremerton CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

	2011		2012		2013		2014		2015		2016	
Month	Bi- monthly	Annual										
February	1.2	1.5	0.4	2.7	0.8	1.8	0.7	1.2	0.2	1.1	0.2	2.2
April	0.8	2.1	0.9	2.9	0.4	1.2	1.6	2.4	0.9	0.4	1.1	2.5
June	0.8	3.2	0.7	2.7	0.8	1.4	0.4	2.0	1.6	1.6	0.9	1.8
August	0.2	2.7	0.3	2.7	0.0	1.1	-0.2	1.8	0.0	1.8	0.3	2.1
October	0.9	3.8	0.5	2.3	0.0	0.6	0.3	2.1	-0.3	1.2		
December	-0.5	3.5	-1.4	1.4	-0.7	1.3	-1.1	1.7	-0.2	2.2		

The October 2016 Consumer Price Index for the Seattle-Tacoma-Bremerton is scheduled to be released on, November 17, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Seattle-Tacoma-Bremerton, WA. metropolitan area covered in this release is comprised of Island, King, Kitsap, Pierce, Snohomish, and Thurston Counties in the State of Washington.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016	
Expenditure category							
All items	256.098	-	256.907	2.1	0.3	-	
All items (1967=100)	780.686	-	783.154	-	-	-	
Food and beverages	260.551	-	260.776	0.4	0.1	-	
Food	263.260	-	263.399	0.3	0.1	-	
Food at home	246.919	244.867	246.427	-2.0	-0.2	0.6	
Food away from home	288.625	-	289.688	3.2	0.4	-	
Alcoholic beverages	228.167	-	229.253	2.4	0.5	-	
Housing	286.980	-	289.383	4.9	0.8	-	
Shelter	324.367	325.952	327.922	6.1	1.1	0.6	
Rent of primary residence (1)	327.301	329.929	332.204	7.0	1.5	0.7	
Owners' equiv. rent of residences (1) (2)	337.863	340.090	341.520	6.0	1.1	0.4	
Owners' equiv. rent of primary residence (1) (2)	337.863	340.090	341.520	6.0	1.1	0.4	
Fuels and utilities	259.847	-	259.653	1.7	-0.1	-	
Household energy	237.334	236.854	237.070	0.7	-0.1	0.1	
Energy services (1)	284.455	284.455	285.402	1.8	0.3	0.3	
Electricity ⁽¹⁾	307.913	307.913	309.169	4.8	0.4	0.4	
Utility (piped) gas service (1)	167.494	167.494	167.494	-12.4	0.0	0.0	
Household furnishings and operations	171.320	_	170.693	-1.2	-0.4	_	
Apparel	131.385	-	128.977	-1.3	-1.8	_	
Transportation	213.462	_	211.554	-3.8	-0.9	_	
Private transportation.	218.679	_	218.511	-4.3	-0.1	_	
Motor fuel	289.984	289.203	281.133	-15.0	-3.1	-2.8	
Gasoline (all types).	296.114	295.174	286.932	-15.1	-3.1	-2.8	
Gasoline, unleaded regular (3)	321.502	319.664	310.771	-15.8	-3.3	-2.8	
Gasoline, unleaded midgrade (3) (4)	231.749	232.998	226.671	-13.8	-2.2	-2.7	
Gasoline, unleaded premium (3)	271.978	274.646	266.777	-11.7	-1.9	-2.9	
Medical care	387.674	214.040	400.940	6.0	3.4	-2.5	
Recreation (5)	99.531	_1	98.644	2.1	-0.9		
Education and communication (5)	138.846	_1	137.944	-1.1	-0.6		
Other goods and services.	399.633	-	399.531	1.0	0.0	-	
Commodity and service group							
All items	256.098	_	256.907	2.1	0.3		
Commodities	188.021	-	187.406	-2.2	-0.3		
Commodities less food & beverages	152.295	-	151.342	-4.2	-0.6	_	
Nondurables less food & beverages	180.586	-	179.410	-5.2	-0.7	_	
Durables	123.523	-	122.790	-2.5	-0.6		
Services.	319.499	-	321.653	4.6	0.7	-	
Special aggregate indexes							
All items less medical care	250.163	-	250.387	1.8	0.1		
All items less shelter	230.115	-	229.871	0.0	-0.1		
Commodities less food	155.489	-	154.609	-3.8	-0.6		
Nondurables	218.898	-	218.382	-2.1	-0.2		
Nondurables less food	184.598	-	183.588	-4.5	-0.5		
Services less rent of shelter (2)	321.393	-	322.002	2.8	0.2		
Services less medical care services	311.431	-	313.084	4.4	0.5		
Energy	269.882	269.243	265.486	-8.4	-1.6	-1.4	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Seattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted) - Continued

		Indexes		Percent change from-			
Item and Group	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016	
All items less energy			259.208 258.742	2.9 3.3	0.4 0.5	-	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Index is on a November 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.

⁻ Data not available